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Adoption of the report of the Committee on its fifty-fifth session

Draft report

Rapporteur: Mr. Joseph Marie **Fouda Ndi** (Cameroon)

Addendum

Programme questions: evaluation
(*item 3 (b)*)

Report of the Office of Internal Oversight Services on the evaluation of the United Nations Human Settlements Programme

1. At its 7th meeting, on 4 June 2015, the Committee considered the report of the Office of Internal Oversight Services (OIOS) on the United Nations Human Settlements Programme (UN-Habitat) (E/AC.51/2015/2).

2. The Director of the Inspection and Evaluation Division of OIOS introduced the report and, together with representatives of UN-Habitat, responded to questions raised during the Committee's consideration of the report.

Discussion

3. Delegations commended OIOS on the quality of the report, in particular the depth of the analysis, the strategic direction, the coverage of key issues and the reconciliation of a vast array of viewpoints. Delegations concurred with the conclusions and recommendations, highlighting the need for UN-Habitat to develop a rating system that would provide relevant and more accurate information on the Programme's achievements. The importance of finalizing an accountability framework and of developing regional strategic plans in four regional offices and Habitat Country Programme Documents was stressed. In that regard, one delegation voiced support for the inclusion of an ethics function in the workplan for the period 2016-2017.

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4. Delegations expressed concern that, while OIOS had rightly acknowledged the progress of UN-Habitat on several fronts, including a better focus on its strategic priorities, it had not sufficiently addressed key factors and critical challenges that explained the difficulties in achieving results, such as resource constraints, the need for governance reform and structural bottlenecks.

5. Delegations underlined the lack of intergovernmental oversight of activities funded by earmarked resources, which amounted to most of the activities of UN-Habitat, as well as the Programme's overreliance on voluntary contributions, which had resulted in priorities diverging from those outlined in the mandates defined by member States and set out in the Programme's strategic plan. In that regard, delegations welcomed the governance reforms adopted by the Governing Council at its twenty-fifth session, in April 2015, praised the recent progress in their implementation and welcomed the establishment by the Council of a working group on programme and budget to ensure that all projects carried out by UN-Habitat (including those funded from earmarked resources) complied with pre-approved benchmarks and indicators of achievement that were aligned with the established strategic plan. In addition, delegations indicated that it would be of interest for OIOS to re-evaluate UN-Habitat once the new governance structure was in place and fully functional.

6. Some delegations, noting that most crisis and conflict areas happened to be in urban and densely populated areas, recommended that UN-Habitat should develop, in cooperation with relevant United Nations entities, a risk management policy and plan of action, based upon, among other things, international human rights and humanitarian law, taking into account experience derived from recent crisis areas and incorporating durable solutions for affected urban and rural populations, including internally displaced persons.

7. Delegations also stressed that UN-Habitat should more systematically adapt its work to the countries in which it operated and that regional-level and country-level documents should incorporate baseline data and input from member States. Those efforts would require stronger engagement for resource mobilization and the creation of new partnerships. One delegation highlighted the efforts of UN-Habitat in Japan, notably its work with local and regional partners.

8. Disagreement was expressed with the assessment of OIOS regarding insufficient mainstreaming of youth issues throughout UN-Habitat activities. It was said that UN-Habitat actively engaged in youth issues through its engagement in the United Nations Inter-Agency Network on Youth Development, the United Nations System-wide Action Plan on Youth, the Urban Youth Fund and the Youth Advisory Board.

9. Delegations raised specific questions as to the methodology employed in the report, including the challenges cited in paragraph 16 relating to effectiveness-related evidence not being forthcoming at the country level, given that only 8 of 20 countries had sent responses, repeated requests notwithstanding.

10. It was emphasized that the strategic direction of UN-Habitat should incorporate relevant items of the post-2015 development agenda and the outcomes of the United Nations Conference on Housing and Sustainable Urban Development, to be held in Ecuador in October 2016.

11. Delegations sought clarification on the limited availability of non-earmarked funding currently available to UN-Habitat and how that situation could affect the Programme in endeavouring to implement the post-2015 development agenda.

12. Interest was expressed in a future assessment of how the implementation of the International Public Sector Accounting Standards and Umoja would affect the overall effectiveness of UN-Habitat procurement and recruitment.

Conclusions and recommendations

13. **The Committee recommended that the General Assembly should endorse the recommendations contained in paragraphs 64 to 70 of the evaluation of OIOS of UN-Habitat.**

14. **The Committee expressed appreciation for the OIOS evaluation of UN-Habitat and recognized its value in improving the effectiveness, accountability and transparency of the Programme towards meeting the objectives of its mandate and strategic plan.**

15. **The Committee welcomed the acceptance by UN-Habitat of the recommendations of OIOS and recommended that UN-Habitat should actively consult and cooperate with the Working Group on Programme and Budget in their implementation.**

16. **The Committee emphasized that structural constraints relating to the absence of a comprehensive intergovernmental oversight mechanism had seriously affected the alignment of UN-Habitat with its strategic priorities, as well as its effectiveness, and welcomed the governance reforms adopted by the Governing Council of UN-Habitat at its twenty-fifth session.**

17. **The Committee recommended that the General Assembly should request the Secretary-General to entrust OIOS with analysing the management response to the new governance structure of UN-Habitat in its next evaluation report.**

18. **The Committee also stressed, for member States to be able to make more informed decisions on planning and budgeting, the need for UN-Habitat to strengthen its evaluation function at all levels, including by reporting on regular evaluations of its strategic plan and developing regional-level and country-level programme documents with clear and relevant baselines, targets and indicators in support of its strategic plan.**

19. **The Committee also encouraged the management of UN-Habitat to strengthen the transparency of all decision-making processes and foster cohesiveness throughout the Programme.**

20. **In addition, the Committee recommended that OIOS, in its next reports, should continue to provide information on the implementation and effectiveness of the International Public Sector Accounting Standards and Umoja in UN-Habitat.**

21. **The Committee noted with appreciation the efforts of UN-Habitat to position itself as the lead United Nations agency for sustainable urbanization.**